

Published and Copyright (c) 1999 - 2002
All Rights Reserved

Atari Online News, Etc.
A-ONE Online Magazine
Dana P. Jacobson, Publisher/Managing Editor
Joseph Mirando, Managing Editor
Rob Mahlert, Associate Editor

Atari Online News, Etc. Staff

Dana P. Jacobson -- Editor
Joe Mirando -- "People Are Talking"
Michael Burkley -- "Unabashed Atariophile"
Albert Dayes -- "CC: Classic Chips"
Rob Mahlert -- Web site
Thomas J. Andrews -- "Keeper of the Flame"

With Contributions by:

Kevin Savetz
Donald A. Thomas, Jr.

To subscribe to A-ONE, change e-mail addresses, or unsubscribe,
log on to our website at: www.atarinews.org
and click on "Subscriptions".
OR subscribe to A-ONE by sending a message to: dpj@atarinews.org
and your address will be added to the distribution list.
To unsubscribe from A-ONE, send the following: Unsubscribe A-ONE
Please make sure that you include the same address that you used to
subscribe from.

To download A-ONE, set your browser bookmarks to one of the
following sites:

<http://people.delphiforums.com/dpj/a-one.htm>
<http://www.icwhen.com/aone/>
<http://almag.atari.org>
Now available:
<http://www.atarinews.org>

Visit the Atari Advantage Forum on Delphi!
<http://forums.delphiforums.com/atari/>

=~::~~::~=

~ FTC Sues Six Spammers! ~ People Are Talking! ~ ASMA Update News!
~ Opera Readies Browser! ~ Million AOL CDs Collect ~ What Is Lindows??
~ Mac OS X Update News! ~ GEM Library WinDom! ~ Net Taxes Reality?
~ Case For OpenOffice! ~ MyWay: Yahoo! Is Toast! ~ Xbox Live Goes Live!

-* Kid-Friendly Zone Approved! *-
-* Microsoft Temps Case Clears Hurdle! *-
-* Supreme Court To Hear Library Filter Case! *-

=~==~==

->From the Editor's Keyboard "Saying it like it is!"
"*****"

While Joe is out gallivantin' at some QA conference/seminar for most of this week, most of us are diligently working and getting things done. I shouldn't complain - Joe was diligent and got his column in to me. However, by getting it to me early, he left the door wide open for "editorial comment" by me! C'mon Joe, a Quality Assurance seminar? Isn't that like holding a seminar on Procrastination Tips and expecting people to show up?

Well, our Indian Summer weather last weekend was short-lived. It was nice while it lasted. I spent most of the weekend outside, cleaning up leaves, but it wasn't bad. Got the entire yard clean. Naturally, once the weekend ended, the weather changed - wind and rain and cold. By Tuesday morning, it looked like I never touched the yard! This weekend it looks like I'll be back at it again, but in weather that will be about 30 degrees colder than last weekend.

The battle over library internet filtering will apparently be settled by the Supreme Court. It should be an interesting case, and decision. And the legal battle over spam continues to be waged. More offenders are being rounded up and sued - I love it! Maybe my many e-mail mailboxes will start to become less filled with this daily trash. Hey, I bet Bill Gates' trip to India this week will be a major highlight in his life! I wonder how it feels to arrive in a foreign country and be greeted by an eight-foot tall condom! And, it's a tribute! We have the story for you! I better stop there as I certainly can't top that!

Until next time...

=~==~==

Release of GEM Library WinDom & DFRM

D. Børøziat has announced:

Please find on official WinDom web site <http://windom.atari.org>) the last version of the GEM WinDom C-library 1.20.

Moreover, DFRM, a WinDom companion library is released on <http://windom.atari.org/dfrm>. This library allow you to build object structure without using an resource editor in a similar way than GTK+.

These libraries are available for PureC, Sozobon, Gcc 2.8.1 and Gcc 2.9.5 and both are open-source.

ASMA 2.5 Released

A new update to the Atari SAP Music Archive was released, adding over 70 new songs to the collection which now contains 1554 POKEY tunes. Get the archive and player at the homepage.

<http://asma.atari.org>

=~::~~::~=

PEOPLE ARE TALKING
compiled by Joe Mirando
joe@atarinews.org

Hidi ho friends and neighbors. It's going to be a short column this time around. I'll be away for part of the week at a Quality Assurance auditing seminar. I'm not looking forward to it, but there are just some things you have to do whether you want to or not.

I'm not sure of what I'm supposed to be learning at this thing, but there are times when you've just got to take a leap of faith and try things out.

My association with computers has been a lot like that. The first time I saw an actual computer in person was in college in 1979 or '80 (I don't remember exactly with semester it was). A friend was finishing up his computer lab, and I was waiting so that we could grab some lunch. While he kept telling me that he'd be another five minutes every five minutes or so, I picked up the manual that came with one of the college's Apple][computers. By the time he was done, I had written a cute little program that would draw little spirograph-like images on the screen. I admit it... I was hooked.

I knew at that moment that I'd never be a programmer (even to me, my code looked ugly and awkward), but I decided right then that computers were going to play a part in my life. It was just so cool!

I took a leap of faith that I wasn't just wasting my time. I never envisioned the world wide web, or the swapping of music as digitized files, or even high-color displays. But something told me that great things were just around the corner. I didn't envision viruses or spam either, so I'm not claiming to be a visionary or anything like that. All I'm saying is that if I hadn't thought that that 2K Apple][with the 9"

monochrome Sony monitor was so cool, I probably wouldn't be boring you now. <grin>

Well, let's get on with the news, hints, tips, and info from the UseNet.

From the comp.sys.atari.st NewsGroup
=====

Al Ferrier asks about Zero X:

"Situation: I have downloaded some WAV sound files from across the net and decided to import them into my Akai sampler. I started using a small freeware program called WaveDump (from the superb and much-missed Electronic Cow people) to transfer them. Most of the WAVs transferred well but some refused to be loaded for some reason.

I then decided to try Zero X, a bigger and more comprehensive program. I had two demo versions which were both demos and had sample transfer disabled.

Request: can anyone tell me where I can get Zero X (full version) or does anyone here have it? Alternatively, can anyone suggest a program that does transfer WAVs to Akai samplers? I know of one called Akai Sample Exchange but the link to that are dead."

J.J. van de Gruiter tells Al:

"<http://www.copson.com/Zero-X/>
He still sells it for 1500 SEK (Swedish Krones) which is approx. 165 Euro.

Or

<http://www.atari-workshop.co.uk/products/soundpool.htm>
More expensive..."

Sanjay Punjab asks about recovering data from his 130XE:

"I received an Atari 130XE as a gift in 1986. It was my first computer. It has a nostalgic value to me. I miss all of those games on my collection of floppy disks. I would like to see again some of the many programs I created in basic. However, it is now 2002 and I haven't touched the 130XE in over 10 years and its at my parents home thousands of miles away. At this point, all I can hope for is to salvage some of the data on my floppies. I don't worry at all about the hardware, since if my 130XE doesn't work anymore, I could try to have it repaired or buy an old one from ebay.

But my data is something that can't be replaced.
Is there any way I can recover the data on my old floppies?
I don't want to setup my old computer to salvage the data. I am concerned that the 130XE disk drive could potentially damage the disks, since the drive itself is quite old. Ideally I would like to find a way to use a PC with a 5-1/4" disk drive that can read an atari diskette and write the exact bit pattern to a brand new 5-1/4" disk. Even better if there is some utility that can perform some type of error correction on corrupt sectors. Or perhaps there is some service center that specialized in what I need done.

Please explain what I options I have to recover my old data."

Ron Hamilton tells Sanjay:

"Only a really old PC with archaic disk controller would be able to read the single density FM coded Atari 5.25 floppies. Even the 1050 non-standard MFM enhanced density does not seem compatible with PC floppy controllers.

Building an SIO2PC cable involves using your XE and drive for the transfers as does use of a null modem cable. BTW the A8 drives use a crc type checksum when reading the sectors.

When you remove your hardware from the picture, you only leave 3rd party hardware. I am unaware of any commercial providers of transfer service; just a few aficionados like Mo and myself who have done it for other former Atarians."

James Alexander adds:

"If you do pick up a used 130XE and drive, you could probably test it out on some blanks or duplicates of stuff. Or you could also pick up a drive from one of the remaining mail order dealers, there's a few around.

That way you could get yourself a drive that works reliably to recover your old stuff. Believe it or not I got a couple well used 1050's and 810's that I've managed to keep in good order. Wasn't too hard either.

I can see what you mean about not bothering with the one you left in your parents house. If its in another country the shipping would be expensive and it would probably be a different video standard and perhaps require different power supplies as well."

Michael Livsey asks about the difference between Double Sided and Single Sided floppies:

"I've been experiencing a few problems with data on my Atari 1040 recently, and it's been pointed out to me that the high density discs can cause problems - I've been using a few alongside the double density discs, and in my naivety I thought they were OK - at least they seemed to work. Would simply taping up that other hole and carrying on with them be more reliable, or should I tape the hole up and re-format first, or chuck them away altogether? Any ideas? To be honest I don't understand the difference."

Nick Harlow tells Michael:

"I believe that the magnetic flux on the HD is lower than DD's... you can use HD's but eventually you will lose data.... maybe not straight away, but you will lose it at some point."

Ken Springer adds:

"I believe Nick is right. And I remember either hearing or reading the magnetic coating on the disks themselves was also different. I had no problems with the HD disks when they first came out, but eventually (basically) none of them would work for me."

Al Ferrier adds:

"I think there is a fundamental difference between single sided, double sided and high density floppies. I'm not big into the actual technology

of them but the tracks on a HD are closer together than a DD and the drives on STs are not designed to use them as they experience problems both reading from the format and writing to it. You can buy a HD drive for your ST (anyone know where? My local place is Analogic in Surrey and I think they do them). I would suggest not using HD disks with your ST and buying some new DDs instead as they are much friendlier to our aging machines!"

Well folks, that's it for this week. See? I told you it was going to be short. Tune in again next week, same time, same station, and be ready to listen to what they are saying when...

PEOPLE ARE TALKING

$$= \sim = \sim = \sim =$$
[illegible]
$$= \sim = \sim = \sim =$$

->A-ONE's Game Console Industry News - The Latest Gaming News!
 "

Xbox Blasts Video Gaming Into Cyberspace

Microsoft goes live with Xbox Live on Friday, officially signaling the latest battleground in the video game wars: cyberspace.

Now that all the latest generation of game consoles, including Sony PlayStation 2 and Nintendo GameCube, are capable of linking to the Internet, online games promise to become crucial to tapping into the public's passion for social play -- and drawing on a new source of income.

Though revenue from online game subscriptions will reach \$670 million in 2004, according to Jupiter Research, the totals will be minimal this year and next, director Mike Gartenberg says. "This is the cornerstone, where the infrastructure is laid and the initial bets are being made, long- and short-term," he says. "We think it evolves into something very significant over time."

But for players such as Albert Chung, 20, of Phoenix, who has been testing the Xbox Live system, the fact that video games are moving online opens up new dimensions of play.

"You can always find someone to play against," he says. "And it's just better competition. I'm better at some games than my friends, and my

friends are better than me at some games. Online, you can search for your equals."

Adding online connections to today's rich, vivid video games is "the next quantum leap," says Microsoft's Xbox general manager J Allard. "It is going to bring more creators and a new wave of experiences, experiences that compete with Friends, Survivor, The West Wing and 8 Mile. . . . We want to lead that."

* Microsoft is operating its own network. The software giant has been testing the system for three months, with about 35,000 online currently. Estimated capacity is about 1 million subscribers. The service, for those who already have broadband Net connections, uses Xbox's built-in networking capabilities. Xbox Live Starter Kits hit stores Friday (\$49.95 for one year of service, plus an Xbox Communicator headset and a demo disc).

Subscribers create an online identity (a "gamertag") that is "like a phone number or e-mail address," Allard says. "Your friends can find you, no matter what game you are playing."

* Sony, the first to take its system online, has sold about 200,000 network adapters at \$39.99 since late August and hopes to sell 400,000 total by year's end. The adapters have both broadband and dial-up connections; more than 40% of PS2 users who have connected have done so using dial-up, Sony's Kaz Hirai says. "This validates our strategy to have both modes of connectivity."

Unlike Microsoft, Sony and Nintendo don't operate networks on their own. They let gamemakers handle the mechanics -- as well as charge subscription fees. So far, no PS2 games have fees.

* Nintendo's modem and broadband adapters (\$34.95, sold separately) have been available for two weeks, as has the first GameCube game playable online, Sega's Phantasy Star Online Episode I & II. It also is the first game to charge a subscription fee, \$8.95 a month.

The game company has some online offerings in development, but none that would be available until mid-2003 at the earliest. "We're taking a more cautious approach," Nintendo's George Harrison says. "It's clear that consumers are interested, but we are still skeptical about what the business opportunity is here (for online gaming)."

For Phantasy Star Online, Sega will allow players to download new levels and other upgrades. For its sports games, up-to-date rosters can be downloaded. "Maybe you have mastered a game and completed it. For online console gamers, we can always deliver fresh new content to keep those games alive," Sega's Gwen Marker says.

The next few years will be a time of experimentation in the design of the next generation of game systems, which are expected to begin arriving in 2005. "Essentially, everybody is dipping their toes in the water in online gaming," says Brian O'Rourke, an analyst with research firm Instat/MDR.

More than 11 million people could be playing console games online worldwide by 2006, O'Rourke estimates, but only about 4.5 million will be playing games that charge. In an Instat/MDR survey conducted this summer, about half of U.S. next-generation console game system owners (132 respondents) said they were interested in online gaming. Of those, 34% said they'd be willing to pay \$10 to \$20 a month, while only 17% were opposed to paying any fees.

"When people say they are not only interested but are willing to pay, that indicates the significance (online gaming) can have," O'Rourke says.

Xbox Sales Up with New Bundle Offer

Microsoft Corp.'s plan to bundle two games from publisher Sega Corp. with its Xbox video game console has helped boost Xbox sales, brokerage UBS Warburg said in a research note on Tuesday.

The \$199 combination puts Xbox on sale with Sega's "Jet Set Radio Future" and "Sega GT 2002," and has helped improve Xbox's sales performance against Sony Corp.'s PlayStation 2, according to UBS analyst Michael Wallace.

"Our channel checks indicate hardware sales have remained strong into the beginning of November. In particular, we have heard that the Xbox/Sega bundle is having a positive impact on Xbox sales," Wallace said.

"While PS2 will almost certainly remain the leader, we believe Xbox has had a significant improvement," he added.

Sony's PlayStation 2, or PS2, console was released a year before both the Xbox and Nintendo Co. Ltd.'s GameCube console, and it dominates the video game market. Analysts widely expect Xbox and GameCube to fight for second place.

The Xbox originally was released at \$299 with no bundled games. That price was cut to \$199 in May, and Microsoft has said the current bundle is a \$100 savings compared to the retail prices for the individual parts of the package.

Microsoft has said sales of the bundle thus far have exceeded their expectations. The company could not immediately comment on Wallace's report.

Nintendo has also just recently started a bundle of its own, packaging the GameCube with its "Super Mario Sunshine" game and an external memory card for \$189, \$40 more than the GameCube stand-alone price.

Spider-Man, X-Men Fight For Activision

The video game industry has become a story of haves and have-nots. Lately, Activision Inc. has been one of the haves.

Activision and Electronic Arts Inc. both handily beat sales and earnings estimates for the most recent quarter, and both raised their guidance. Meanwhile, companies like THQ Inc. and Midway Games Inc. have disappointed.

Analysts say larger game publishers like Activision and EA should outperform their peers this holiday season because they have multiple successful game franchises and more clout with retailers.

Activision's games include "Tony Hawk's Pro Skater" and comic book character games featuring Spider-Man and X-Men. The Santa Monica, Calif.,

firm recently bought rights to make games based on the "Lemony Snicket" children's books.

William Chardavoyne, Activision's CFO, spoke with IBD recently about his company's outlook.

IBD: Is the video game industry boiling down to a few healthy third-party publishers?

Chardavoyne: We talk about consolidation, and you would expect that. We think there are a couple of tiers. There are the top publishers - and EA and ourselves are certainly in that group. Then there are a number of other publishers at the low bottom that depend on one hit to sustain their growth.

As we move further in this (video game console upgrade) cycle and into the next cycle, you'll see a further parting of the waves between the more successful publishers and the less successful publishers. Games are becoming more expensive to produce, and you have to have longer lead times.

IBD: In recent weeks, some have questioned the health of the video game market. Should those concerns be limited to certain companies and certain game platforms?

Chardavoyne: We think the market's very strong. We're looking at 18%-20% growth for this period. And for calendar year 2003 we're looking at 13%-17%.

The (Nintendo) GameCube and the (Microsoft) Xbox have probably not performed to expectations. Conversely, (Sony's) PlayStation 2 has performed well above what people were thinking. So we're very bullish about the installed base.

Just the other day, I saw the hardware numbers for September this cycle vs. the September when we were in the last (five-year) cycle (new video game consoles run in about five-year cycles), and we're up 50% in the installed base. That's very good news for us.

IBD: How cautious are retailers being this holiday season?

Chardavoyne: The retailers are cautious for unproven titles and unproven brands. Activision has a long history of bringing proven product to the table month in and month out. We're seeing no loss of business regarding big launches.

We just shipped "Tony Hawk's Pro Skater 4" and we're very excited about the product. It's gotten extremely high quality rankings in the game magazines. The intent of our consumers in purchasing the product is extremely high. We shipped the same number of units we had shipped for its predecessor a year ago. Clearly, being the No. 2 (third-party) game publisher (behind EA) has a lot to do with getting our product into shelf space.

IBD: What are Activision's big games for this Christmas?

Chardavoyne: This quarter we're really excited about "Tony Hawk." Here's a game where you have 13 levels, going from amateur to pro, skating in a significantly large free-roaming space. We're expecting big things from it.

Then there's our relaunch of "Spider-Man," a very successful game for us

for the quarter ending in June and again last quarter. Now with Sony's DVD (movie) launch with the game, in excess of 20 million units in North America, we're excited about the prospects. We lowered the price at retail from \$49 to \$39, so we think there's a lot of opportunity for the game.

We have "Minority Report," based on the Steven Spielberg-Tom Cruise movie released earlier this year. We also released an X-Men fighting game this quarter that's doing extremely well.

The proven brands add to the stability, predictability and quality of our earnings. If we can leverage these proven brands against multiple platforms and geographies, it helps our position. And that's one of the clear reasons why we're the No. 2 video game publisher.

IBD: Children's games haven't been performing very well lately. Why?

Chardavoyne: Those games tend to do well toward the end of the cycle, when the hardware is at very low prices and it's more of a mass merchant, mass market product.

IBD: What about mature, adult-themed games? Is Activision going to cede that market segment to Take-Two Interactive Software?

Chardavoyne: Take-Two has done a great job with ("Grand Theft Auto") and (sequel) "Vice City." But M-rated games represent less than 10% of our portfolio.

$$= \sim = \sim = \sim =$$

```
->A-ONE Gaming Online      -      Online Users Growl & Purr!
   u u u u u u u u u u u u u u u
```

For Immediate Release

Contact: Donald A. Thomas, Jr. 815-439-5591, datj@icwhen.com

NEW YORKER WINS JAGUAR VIDEO GAME PACKAGE WITH KIOSK

November 14, 2002 - Plainfield, IL - ICWhen.com announced today the winner of its recent Atari(tm) Jaguar(tm) kiosk. Mr. Doug Engel of New York entered the highest bid as the clock ticked away the final seconds of item number 1394768436 on eBay. Mr. Engel's winning bid of \$1582(US) covers a complete Atari Jaguar video game package including an arcade machine-sized store display, console, software and an assortment of very rare peripherals and accessories. The auction concluded at almost 1AM PST on Monday, November 11.

"I am pleased to learn that Mr. Engel has won this auction," states Donald A. Thomas, Jr. of Thomas Solutions (ICWhen.com). "I have known Mr. Engel for years and recall that he and his colleagues were staunch supporters and developers of the Atari Jaguar 64-bit video game system."

The Jaguar package auction attracted more than 1,700 hits as a spotlight of ICWhen.com's newly opened "vault" of auctions on eBay. ICWhen.com has hosted an award winning site featuring the history of home computers and video games in chronological format. The site has been used by students worldwide and referenced repeatedly in newspapers, magazines and books. ICWhen's collection of video game and home computer items include rare and one-of-a-kind items in collectible condition. These items are now becoming a part of an ongoing swarm of auctions hosted by ICWhen.com and easily found by bookmarking the URL of <http://www.icwhen.com/vault>.

Items currently on the virtual auction block include one-of-a-kind art proofs, autographed DVDs, unusual wrist watches, very rare games and impressive themed bundles. Many of the auctions include bonus items that are rare in themselves. Thomas promises that there are more to come.

=~::~~==

A-ONE's Headline News
The Latest in Computer Technology News
Compiled by: Dana P. Jacobson

Supreme Court to Hear Web Porn Case

The Supreme Court said Tuesday it will decide if the government can restrict Internet surfing at public libraries, the third case pitting free-speech concerns against efforts to shield children from online pornography to reach the justices.

The court will resolve whether federal funding can be stripped from libraries that don't install filters on computers to block sexually explicit Web sites.

The decision would affect more than 14 million people a year who use public library computers to do research, send and receive e-mail, and, in some cases, log onto adult sites.

A three-judge federal panel in Pennsylvania ruled last spring that the Children's Internet Protection Act violates the Constitution's First Amendment because the filtering programs also block sites on politics, health, science and other non-pornographic topics.

The judges recommended less restrictive ways to control Internet use, such as requiring parental consent before minors are allowed to log in on an unfiltered computer or having a parent monitor a child's Web use.

"The filtering turns the Internet into something fit for a 5-year-old, and not even that. It blocks enormous amounts of protected speech," said Charles Sims, a First Amendment lawyer in New York. "Congress can't get it right."

Lawmakers have passed three child protection laws since 1996, but the Supreme Court struck down the first and blocked the second from taking

effect. Those dealt with regulations on Web site operators. Legislators tried a new approach with the 2000 law, arguing that it should be able to regulate government property.

"The government has more authority when it's controlling the purse strings than when it's deciding what people can do with private funds and private property," said Eugene Volokh, a conservative constitutional expert at UCLA Law School.

Still, Volokh predicts the government will lose as the court again grapples with the balance between protecting children and preserving free speech. The court has been very protective of First Amendment rights.

The Bush administration said in its filings that libraries are not required to have X-rated movies and pornographic magazines and shouldn't have to offer access to pornography on their computers.

The law is opposed by the American Civil Liberties Union, the American Library Association and other groups.

"The public library is for everybody. That's why it's called public," Barbara Gloriod, a librarian in Washington for more than 20 years, said Tuesday as patrons surfed the Internet nearby on computers without filters. "Filters are just not good enough. They don't filter out all the bad and they do filter out some of the good."

The state of Texas joined the federal arguments at the Supreme Court.

"Parents should not be afraid to send their children to the library, either because they might be exposed to such materials or because the library's free, filterless computers might attract people with a propensity to victimize children," wrote Texas Attorney General John Cornyn, who was elected to the U.S. Senate last week.

Congress knew the latest law would be challenged, and directed any appeals to go straight to the Supreme Court after a trial before a three-judge panel.

U.S. Solicitor General Theodore Olson said the lower court panel's ruling hurts Congress' effort to ensure that money spent for education does not pay instead for access "to the enormous amount of illegal and harmful pornography on the Internet."

Paul Smith, the library association's attorney, said thousands of Web sites that have nothing to do with sex are blocked by filtering companies. "You have an awful lot of censorship going on, and it's censorship the librarian is not in control of," he said.

The Supreme Court struck down the 1996 Communications Decency Act, which made it a crime to put adult-oriented material online where children can find it. The court said the law violated free-speech rights because it would keep material from adults who have a right to see it.

This year the court upheld part of the 1998 Child Online Protection Act, which required Web sites to collect credit card numbers or other proof of age before allowing Internet users to view material deemed harmful to minors. But justices did not rule on the law's constitutionality, and the government was barred from enforcing it.

The case is United States v. American Library Association, 02-361.

Tax-Free Online Shopping May End

When state legislatures reconvene in January, imposing an Internet sales tax could be high on their agendas. That's because delegates from 31 states have approved a program to streamline the now fragmented sales tax programs.

"This [program] is a 21st century system that will dramatically improve the morass that currently exists," says Utah Governor Michael Leavitt.

The plan calls for uniform definitions for taxable goods and one statewide sales tax rate by 2006. Known as the Streamlined Sales Tax Project, it received the nod Tuesday.

To start collecting, states must now enact tax laws that correspond to the proposal. According to the National Conference of State Legislatures, lawmakers from Minnesota, North Carolina, Wyoming, and Wisconsin have already done so.

States with large cities, such as New York and Illinois, may be the last to change their systems because the local governments have their own sales tax laws to raise money, says Neal Osten, senior committee director for the state legislators' conference.

Once ten states representing 20 percent of the population change their systems, companies could voluntarily impose an Internet sales tax. At that point, Congress could also approve a mandatory online sales tax, but only for states that successfully simplify their tax laws, says Osten.

The District of Columbia and 45 states now collect sales tax, but at widely varying rates. More than 7000 state and local tax jurisdictions have different laws and definitions of what they can tax.

"Simplification is the first step toward a level playing field," says Maureen Riehl, vice president of the National Retail Federation, a trade group that represents nearly 1.4 million stores. "Once the system is simplified, we can convince Congress to apply the same rules to everyone, whether they sell their merchandise from a storefront, over the phone, through a catalog or on the Internet."

If the states act, this would be the first revamping of the nation's sales tax system in 40 years.

Ten years ago, the Supreme Court ruled that states cannot force retailers to collect (and hand over) sales taxes unless they have a physical presence in the customer's state. For example, Seattle-based Amazon cannot collect sales tax in California. However, the Supreme Court ruling does allow Congress to impose an Internet sales tax once states simplify their programs.

In November 2001, Congress approved a two-year extension on the Internet sales tax moratorium. This banned Internet access taxes on Internet service providers, but does not apply to states that collect taxes on Internet purchases.

Online shoppers are supposed to pay sales tax, but many states don't have

an effective way to collect them, Osten says.

"This is not a new tax because consumers already owe it, but states can't collect it," Osten says. "Whether you buy [a product] in the store or on the Internet, it should be treated in the same way."

For states with budget problems, this seems like an attractive solution. The U.S. General Accounting Office estimates that states lose \$13 billion each year on untaxed Internet transactions. A 2001 University of Tennessee study suggests this number could more than triple to \$45 billion by 2006.

"When states realize how important this money could be to their budget deficit... it makes it more likely we are going to succeed next year," says Osten, who will now focus on educating the more than 2000 newly elected state legislators.

Congress Creates Kids' Internet Area

Congress approved legislation Friday to create a safe haven on the Internet for children, where parents can be assured Web sites are free of pornography and other material not suitable for youngsters.

The measure would make a ".kids.us" Internet domain that would be available within a year and monitored by a government contractor to ensure the material is appropriate for children under 13. The bill won unanimous approval from the Senate on Wednesday and the House on Friday. It now goes to President Bush, who was expected to sign it.

The House also sent Bush a bill Friday allowing small Internet music broadcasters to pay lower copyright royalty fees, something those businesses say is key to their survival. If they grow sufficiently, they would no longer be entitled to pay the lower fees.

The Internet domain measure was backed by child advocates.

"Kids need a safe place to go on the Internet," said Sen. Byron Dorgan, D-N.D., who introduced the bill in the Senate. "This is our nation's best chance to guarantee kids an online experience that is fun and age-appropriate from start to finish."

Web sites wishing to register in the "dot-kids" area within the United States Internet domain would have to agree to display only child-friendly material. The sites would be prohibited from linking to Internet sites outside the kids area. Instant messaging or chat rooms also would be banned unless they are certified as safe, protecting children from Web predators.

The legislation defines Web content as harmful to children if it depicts sex or nudity, is clearly sexual in nature or "lacks serious, literary, artistic, political or scientific value for minors."

Critics, including some civil liberties groups, say the new domain will do more harm than good.

In a letter sent to lawmakers before the bill passed, Alan Davidson, associate director of the Washington-based Center for Democracy and Technology, said the legislation has good intentions but "would be ineffective at protecting children."

One problem, Davidson said, is that the age range is too broad - material suitable for a 12-year-old may not be right for a younger child. If the material is restricted for the youngest children, older kids won't be interested, he said.

"Many parents will find that limiting their children's Internet activity to '.kids.us' will not be a solution to keeping them safe online," Davidson said. "And the company administering the domain would be required to make decisions for millions of children that would be better made by families."

Congress wants that company to be NeuStar Inc., a Washington firm that has managed the ".us" country domain for a year. The company has another three years in its contract and would get a two-year extension if it agrees to manage the children's domain, a Dorgan aide said.

The Commerce Department's National Telecommunications and Information Administration would oversee NeuStar, which would monitor the domain and remove anything it finds objectionable. There would be procedures for Web site operators to contest decisions to remove their content.

Davidson said a huge amount of Web site policing would be needed and would likely fall short of what parents expect. He said Internet safe areas developed and run outside the government would be more effective.

James Casey, policy director for NeuStar, said the company is up to the task.

"We have to make sure we do it right for the children," Casey said.

The Internet broadcasting bill mirrors an agreement worked out earlier by webcasters and the recording industry, which wants royalties for songs broadcast over the Internet.

The legislation would let the recording labels and artists who hold copyrights set their own royalty rates for webcasts rather than use the standard imposed by the U.S. Copyright Office in June - 70 cents for every song heard by every 1,000 people.

Internet radio - either simulcasts of traditional over-the-air radio or Internet-only stations streamed over the Web to computers - is becoming popular as more people get high-speed connections.

But many webcasters are small and highly specialized, reaching only hundreds or thousands of people. They complained the rates imposed by the Copyright Office would be more than they could afford, forcing them out of business.

The bill authorizes SoundExchange, the organization collecting payments on behalf of the music industry and artists, to reach rate agreements with small webcasters based on an Internet broadcaster's revenue.

Net Music Gets Royalty Reprieve

Smaller Internet music broadcasters will be allowed to pay lower copyright royalty fees than they do now under legislation Congress passed on Friday.

The bill, which has been sent to President Bush to be signed into law, mirrors an agreement worked out earlier by webcasters and the recording industry, which wants royalties for songs broadcast over the Internet.

The legislation allows the recording labels and artists who hold copyrights to set their own royalty rates for webcasters rather than use the standard imposed by the U.S. Copyright Office in June - 70 cents for every song heard by every 1,000 people.

The Senate approved the bill late Thursday and the House followed Friday.

Internet radio either simulcasts of traditional over-the-air radio or Internet-only stations streamed over the Internet to computers - is becoming popular as more people get high-speed connections.

But many webcasters are small and highly specialized, reaching only hundreds or thousands of people. They complained the rates imposed by the Copyright Office would be more than they could afford, forcing them out of business.

Webcasters and the recording industry worked out a deal last month that calculates rates based on an Internet broadcaster's revenue.

The House approved that deal, but it stalled in the Senate after religious broadcasters objected to language setting specific rates. The compromise legislation removed the wording.

The bill authorizes SoundExchange, the organization collecting payments on behalf of the music industry and artists, to reach rate agreements with small webcasters.

"We urge webcasters, broadcasters and others to meet us in good faith to find marketplace solutions, rather than fighting in court and other forums," said SoundExchange executive director John L. Simson. He said the record industry would use the rates worked out last month.

Simson said the legislation adds a six month extension for noncommercial webcasters - such as college radio stations that broadcast online - to pay retroactive royalties. The extension will allow for more negotiations to work out a separate deal with them, he said.

Radio stations have historically been exempt from royalty payments because they provide promotional value for songs. The recording industry long opposed the exemption and in 1998 got Congress to require royalties for digital services.

Microsoft Temps Case Clears Hurdle

The U.S. Supreme Court's refusal Tuesday to consider a challenge to a Microsoft settlement cleared the way for thousands of current and former temporary employees to receive their share of \$97 million in payouts.

The high court without comment let stand a lower court finding that \$27 million in legal fees was reasonable for the Seattle law firm that represented Microsoft's long-term temporary workers.

Stephen Strong, a partner at Bendich, Stobaugh & Strong, said he's thrilled

his clients can begin applying for their share of the settlement money.

"We spent thousands and thousands and thousands of hours and years of work on a risky case, and finally we're going to get something out of it," Strong said.

Two former temporary employees had appealed the settlement, arguing that their share of the money was too small and lawyers' fees were too big.

Calls to their lawyers were not returned, and efforts to reach the two temps were unsuccessful. Microsoft had no immediate comment.

The "permatemp" lawsuit was filed in 1992, after some temporary workers had spent years with the company. The lawsuit challenged the practice of paying workers through temporary employment agencies, thus denying them certain benefits provided to permanent employees.

The settlement was approved in May 2001.

Between 10,000 and 12,000 current and former Microsoft employees who worked at least 750 hours over at least nine months are eligible for a share of the money.

E-Mail Viruses Up, Spam Down

E-mails bearing viruses increased 42 percent in October compared with January, with one in every 134.5 messages being infected, according to MessageLabs, which provides e-mail filtering services.

MessageLabs scanned 212 million e-mails, of which almost 15 million were found to have potentially harmful content. Users who worked in the leisure industry, sports and entertainment, and retail were most likely to receive viruses and spam, because those industries have the most contact with home users. The fewest attacks were aimed at the IT and telecommunications sectors.

Bugbear and Klez.h were the most popular viruses, followed by Yaha.E and SirCam. Spam accounted for one in 6.1 e-mails in October, down slightly from one in 6 in September.

Porn spam declined from January to October; e-mail containing pornographic images made up one in 3,418 e-mails, down 23 percent since January.

FTC Sues Six in 'Spam' E-Mail Round-Up

The Federal Trade Commission said on Wednesday that it had sued six junk e-mailers who bombarded Internet users with illegal pyramid schemes, fraudulent loans and e-mail filters that actually attracted more "spam."

The announcement came as other state and federal law-enforcement authorities in the Northeastern United States announced actions of their own as part of a concerted effort to cut down on deceptive spamming and other illegal behavior on the Internet.

"All of us are combining our resources to combat deceptive spam and Internet scams," said Barbara Anthony, regional director for the FTC at a press conference in Boston.

The FTC coordinated similar efforts in the Midwest and Pacific Northwest earlier this year.

While spam is widely regarded as a nuisance for Internet users, it is not illegal under U.S. law.

All those facing FTC lawsuits are charged with violating existing laws against deceptive and unfair trade practices.

One defendant used the logos of well-known financial institutions like Prudential and Fannie Mae in order to collect personal information like income and home values from respondents, the FTC said.

The defendant, whose name was not released, also used false return addresses so those trying to contact him would not receive "no such recipient" and "do not contact me" messages, the FTC said.

As a result, 30,000 such responses were sent to an innocent Internet user, the FTC said.

Another defendant sent spam messages for a service that promised to eliminate spam. In fact, the product sold by NetSource One and its principal, James R. Haddaway, actually attracted more spam, the FTC said.

Four others were charged with sending illegal chain letters asking for money. The defendants agreed to stop the practice or face fines, the FTC said.

Another 100 pyramid-scheme operators received warning letters from law enforcement authorities.

The FTC also said that investigators had scattered special e-mail addresses around the Internet to see if spammers would pick them up.

While spam has been a nuisance for Internet users for years, complaints have risen dramatically as the volume of unwanted commercial pitches has exploded. Anti-spam firm Brightmail estimates that spam now makes up 36 percent of all e-mail traffic, up from 8 percent a year ago.

E-mail addresses left in news groups and on Web pages were almost certain to receive spam, they found, while those left on message boards and posted in e-mail directories were somewhat less likely to receive unwanted commercial pitches.

Addresses left in chat rooms were certain to receive spam, they found. In one instance, an e-mail address posted in a chat room started to receive spam eight minutes after it was posted.

Twenty-six states have anti-spam laws of one sort or another, but efforts to pass a national law in Congress have stumbled over opposition from commercial marketers.

The Direct Marketing Association, which represents many commercial marketers, switched its position last month and said it would ask Congress to pass anti-spam legislation so legitimate marketing efforts would not be drowned out.

Internet users can forward spam for FTC investigation to uce@ftc.gov. The consumer-protection agency has amassed a database of 20 million junk e-mails.

Apple Releases Mac OS X 10.2.2

Apple today posted an update to its Mac OS X operating system, bringing the current version to 10.2.2.

According to Apple, the update delivers enhanced functionality and improved reliability for the following applications and technologies: Address Book, iChat, IP Firewall, Mail, Print Center, Rendezvous, Sherlock and Windows file service discovery. The update also includes the updated services previously delivered in Security Update 2002-09-20.

The 24.4MB update is available via the Software Update control panel in Mac OS X 10.2.

Opera Readies a Leaner Browser for Battle

Opera Software is keeping the browser wars of the 1990s smoldering with the beta release of a new version of the Opera Web browser for Microsoft's Windows operating system on Wednesday.

Opera 7 for Windows is both smaller and faster than earlier Opera releases, and constitutes a wholesale rebuilding of the browser, according to a statement released by Opera of Oslo, Norway. The heart of the new browser from Opera is a redesigned rendering engine that provides improved support for established and emerging Web standards like Document Object Model Level 2 (DOM2), extended Cascading Style Sheets Level 2 (CSS2), and HTML 4.01.

"We wanted to make things faster and to be able to handle more live content. Opera 7 is very much faster in rendering and it also starts to render things at a very much earlier stage," said Jon von Tetzchner, chief executive officer of Opera.

Other features of Opera 7 include revamped e-mail and news clients, and Small Screen Rendering (SSR) technology that will allow Web site developers to see how a particular page will appear on a small-screen device such as a personal digital assistant or mobile phone.

Opera's focus on portable devices may be a way to keep the company and its product relevant.

Microsoft is widely recognized as the indisputable winner of the much-ballyhooed browser wars. Its Internet Explorer is used by almost 95 percent of all Web surfers, according to the most recent data from OneStat.com of Amsterdam, a Web research organization. Surfers using the Opera browser accounted for just 0.9 percent of the total, according to OneStat.

"There is an inherent challenge to companies that are

operating-system-independent to sell a product that comes packaged with an operating system," said Dan Kusnetzky, vice president of systems software research at IDC. "They've got to overcome the idea that 'this product came at no additional cost, so why pay for something to replace it?'"

And as more and more Web-based services such as online banking standardize on Microsoft's products, the hurdles facing those who use Opera or other browsers only multiply, said Kusnetzky.

With mobile devices the next frontier for purveyors of online content, however, Opera sees a window of opportunity that is not open in the market for desktop applications.

"On the desktop, I don't think we can topple Microsoft in the near future because they control the distribution," von Tetzchner said. "In mobile market, however--phones, PDAs, even TV--Microsoft doesn't control distribution. It's a totally different ballgame."

In that market, the leaner Opera 7 has an advantage over Internet Explorer, Tetzchner said. Most mobile devices have comparable computing power to desktop computers of the early 1990s, at best. In addition, the desktop and mobile versions of Opera 7 are identical, making content development for mobile devices that use Opera much easier than for Microsoft's mobile Web browser, which is different from the Internet Explorer, according to von Tetzchner.

Opera has made it known that it is looking to develop deals with mobile-device hardware vendors to ship a copy of the Opera browser with their devices. So far, no deals have been announced, and von Tetzchner refused to comment on the prospects for any future announcements, but the built-in small-screen-rendering features of Opera 7 may win the company a following within the mobile computing development community.

"That idea is definitely there," von Tetzchner said when asked if Opera was courting mobile content developers with the new version of Opera.

Opera also hopes to capitalize on the growing popularity of the Linux operating system. Opera already has a loyal following among users of Linux and Unix, and the company is attempting to increase its support for different Unix and Linux distributions.

On that front, in order to gain market share, Opera must find ways to get its browser packaged with operating systems, according to Kusnetzky. "If your browser's not packaged with the operating system, then you've got to convince people to download and install it, and there are costs inherent in that, even if they're not licensing costs," Kusnetzky said.

The Case for OpenOffice

What is free, easy to learn and manage, and compatible with other file formats and every major platform? (Hint: It also represents one less tie to Microsoft.) The answer is OpenOffice.org, according to the creators, managers and evangelists of this open source office productivity suite.

OpenOffice.org is a two-year-old project, the result of more than a dozen volunteers' efforts to create a software suite that contains a word processor, spreadsheet, presentation program, graphics app and database.

The project has its roots in StarDivision, a German company that originally authored the StarOffice software suite. Microsoft rival Sun Microsystems purchased StarDivision in 1999 and released StarOffice 5.2 in June 2000, while also turning over its code to the OpenOffice.org group of developers. Now, in a turning of the tables, OpenOffice.org's efforts are at the core of Sun's most recent StarOffice 6.0 release.

The freely available software is backed by a community of nearly 10,000 users, according to Scott Carr, documentation maintainer for OpenOffice.org. Besides being an inexpensive investment, OpenOffice.org is often a first step for businesses considering a switch to Linux on the desktop.

"With OpenOffice.org, it's ... try before you buy, but you never have to do the 'buy' part," Carr told the E-Commerce Times.

Some analysts have questioned the merits of an enterprise switch to OpenOffice from Microsoft Office, citing migration costs, training issues, compatibility problems and support worries, but the OpenOffice project leaders insist that choosing the most qualified candidates for a switch can minimize these risks and costs.

"If you go to a site and they have 100 employees, maybe two or three are of the mindset to do some programming," said Carr. "But the rest of them, they want to go in and have a document that has a couple of fonts ... and do a little bit of formatting and be done with it."

Carr conceded that OpenOffice is not the perfect solution for every desktop user in a company, but added that for the majority, it is a viable option.

Besides usability, the cost savings argument is undeniable, said Sam Hiser, co-leader of marketing for OpenOffice.org. "The ROI that you get from a transition to OpenOffice.org is infinite because you're going from paying licensing fees that can be grand to [paying] nothing," he told the E-Commerce Times.

Carr estimated that even taking into account the training costs companies encounter, plus the migration time involved in replacing applications, a business using 1,000 Microsoft Office licenses at US\$300 each could save about \$300,000 on up-front expenditures by switching to OpenOffice.org.

But the main selling point for OpenOffice.org is its file and platform compatibility, according to Joerg Heilig, director of engineering for StarOffice at Sun. "XML is the default file format, and we are working on the standardization. It's documented on OpenOffice.org, and we invite others to work with us," Heilig told the E-Commerce Times.

Also, because OpenOffice.org can be used on multiple platforms, including Windows, Linux, Solaris and Mac OS X, it is a draw for companies that use more than one platform.

Heilig also disputed claims that OpenOffice.org and StarOffice have difficulties with macros, pivot tables and other items developed in Visual Basic.

"We do support [pivot tables], but we have to call them differently because they are a trademark of Microsoft, so they are called data pilots in StarOffice," he said. "On the macro side, we do support StarOffice Basic, and we have an extensive basic API so you can do custom solutions based on

StarOffice, but the API is different than [Microsoft's]."

For some companies, turning over support of their most common applications to a community of volunteer IT specialists is a daunting task. However, Carr pointed to rapid turnaround times that range from five minutes to a week for questions posted to the OpenOffice.org mailing list.

Conversely, for calls to Microsoft support, Carr noted, "What is the chance of you actually being able to speak with a developer?" He also lamented that the most common response to a Microsoft support call is the standard refrain, "it's coming out in the next release."

Understandably, noted Hiser, some companies require contractual support for their applications. That is one reason OpenOffice.org sees itself as a testing ground for companies considering a StarOffice purchase from Sun, which provides direct support, patches and QA50 per copy, is flexible and inexpensive enough to be a contender with Microsoft Office, according to a recent Gartner research note. According to Gartner, StarOffice could gain at least a 10 percent market share at the expense of Microsoft Office by the end of 2004.

But that projected gain was qualified with the note that in order for StarOffice to earn such popularity, Microsoft would have to remain true to its current licensing policies, which took effect July 31st. Companies gained access to continuous Microsoft software upgrades and improved security, but they were required to pay what amounted to costly monthly licensing fees, stirring up frustration with the software giant.

One of the most compelling reasons to use OpenOffice, according to the project's supporters, is that it can serve as a testing ground for an eventual switch from Windows to Linux on the desktop.

Once users have migrated to OpenOffice, the reasoning goes, switching to Ximian Evolution, a free e-mail and group calendaring application, and Mozilla, an open source Web browser, becomes easier. And once those transitions are complete, removing Windows entirely and replacing it with Linux becomes less of an issue.

"Many [companies] are thinking of migrating to Linux, and a first step is always to exchange their existing office suite with something that is more open," said Heilig.

The goal, said OpenOffice.org's Hiser, is not to put Microsoft out of business, but rather to make free or cheaper software available on a worldwide scale and eventually to increase the size of the overall office productivity software market. Hiser estimated that within 10 years, the market's size will have increased three to five times -- and open source will share a substantial portion of the pie.

What Is Lindows, Anyway?

Lindows is a Linux-based operating system that promises to make using Linux as easy as Windows. Indeed, its name suggests a combination of Linux and Windows -- but what exactly is this distribution that has found its way onto Wal-Mart shelves? Is it the next big thing or just good marketing?

In the beginning, Lindows' goal was to let users run Windows applications

on Linux. The company still provides Wine (a Windows compatibility layer for Unix) with its software, but it has retreated from its original plan to make a fully Windows-compatible Linux. Instead, it is focusing on delivering applications that provide the same features as users' favorite Windows apps.

Therefore, the main selling point for Lindows, besides ease of use, is its "Click-N-Run Warehouse." Linux apps have long been as easy to use as their Windows counterparts, but installing them has not been. Most Windows users balk at the idea of using command-line tools or compiling their own apps. Lindows provides a wide variety of applications -- 1,685 of them, according to the Lindows Web site -- that users can install by clicking a single green button.

Most Lindows software is freely available, though Lindows does offer some commercial applications, such as StarOffice and TuxRacer Deluxe.

It costs US\$99 to join Lindows' "Insiders" program for two years to receive the operating system plus Click-N-Run privileges. The \$99 is a promotional price that soon will change to \$299. For users with a broadband connection, software installation via Click-N-Run is quite convenient, but for dial-up users, installation could be a slow process. Users can still install software using traditional tools, according to Lindows public relations director Cheryl Schwarzman.

Schwarzman admitted that longtime Linux users are not the company's market. "The Linux group is highly intelligent. They enjoy being able to compile and apt-get.... They don't have interest in Lindows; it'd be like asking an adult to slap training wheels on their bike." But for less technical users, she said, Lindows can be a viable option.

"Microsoft has about 95 percent of the market share," Schwarzman added. "There's plenty of room for us to compete with Microsoft. We can bring the affordability that Microsoft hasn't brought, with the same ease of use."

The Lindows distribution is based on Debian GNU/Linux. Lindows is not the first company to base a commercial product on Debian, but if it turns a profit, it will be the first to do so. Several other Debian-based Linux distros -- Stormix, Progeny and Corel -- failed in the marketplace. Corel managed to sell its distro to Xandros, while Progeny shifted business strategies and Stormix died on the vine.

What can Lindows offer that those distros could not? The answer is not only technical innovation, but also marketing.

Many have said that Microsoft is not a technology company, but rather a marketing company. If that is true, then the only way for Linux to make serious inroads into the desktop market may be to match marketing wits with the software giant. That is where Lindows' strength comes in, according to Jeremy White, CEO of CodeWeavers, a corporate backer of the Wine Project.

"They're a marketing and branding company, bringing the value and power of Linux to an audience that otherwise might not receive it," White said. Although CodeWeavers and Lindows parted ways at the beginning of the year, he said he would be happy if anyone could offer people a choice to Microsoft. "All I want is to see the OS stranglehold on the market gone."

When Lindows was first announced, Microsoft filed suit to stop the company from using a name that is so similar to "Windows." White said Microsoft's

aggressive tactic may have backfired -- during the trial, the judge questioned Microsoft's right to trademark such a common word as "Windows."

"I think that [Lindows founder and CEO] Michael Robertson shrewdly chose the name, in and of itself a powerful marketing tool," White added. "Microsoft wanted to see if they could stop them, but it's been a PR nightmare for Microsoft."

Unlike most Linux distros, Lindows is available only via download or by purchasing a PC with Lindows pre-installed. Schwarzman said retail distribution is in the future for Lindows, but he could not provide a definite time frame. For now, users can buy PCs with Lindows pre-installed through several OEMs, including Microtel, which has made headlines by selling such PCs through Wal-Mart's Web site.

A Microtel PC with Lindows pre-installed costs \$199, about the same price as the Windows XP professional upgrade. Even with the cost of a Click-N-Run subscription, that is a lot cheaper than using Windows. Whether price will drive masses of users to Lindows or other Linux distros remains to be seen.

Virus-Trapper Prevents Worm Spread

SentryBay said Thursday that it's launching Viralock, a virus-trapping utility designed to stop the spread of E-mail worms and viruses such as BugBear and Klez, next week at Comdex.

Unlike traditional virus hunter-killers, Viralock doesn't sniff out viruses, but instead encrypts E-mail addresses in Microsoft Outlook and Outlook Express, the two clients most often targeted by viruses and worms. Malicious code can't find and use the addresses to spawn additional copies and infect friends and co-workers.

Viralock can be downloaded directly from SentryBay for \$19.95. Volume pricing is also available.

New Web Portal Takes Aim at Yahoo!

The businessmen who salvaged the Excite Network from one of the Internet's biggest bankruptcies are launching a new Web site targeted at disaffected Yahoo! users.

"Yahoo! is Toast" is the theme of their aggressive new advertising campaign introducing MyWay.com, a new online portal that replicates many of Yahoo's popular features without ads, fees and intrusive privacy policies.

MyWay.com will instead find profits through pay-for-placement listings in its search function, which is powered by Google, said Bill Daugherty, who also founded the popular online sweepstakes site iWon.com.

The antagonistic radio-and-print campaign debuts Tuesday and will continue through Nov. 27 in 38 major markets, including Sunnyvale-based Yahoo's home turf in the Silicon Valley.

Daugherty, co-CEO of Irvington, N.Y.-based Bulldog Holdings Inc., is certain the marketing push will touch a nerve with Web surfers who feel betrayed by a series of changes Yahoo has made under a new management team to survive the tech meltdown.

Yahoo now charges for many once-free services and peppers its site with a variety of ads that slow the site's loading speed. Yahoo offers fee-based services such as personal ads, the HotJobs career-search site, enhanced e-mail and game rentals. The company also loosened its privacy policies so it could sell more of the information collected about its registered users.

"No Web site has changed its relationship more dramatically in the past two years than Yahoo has," Daugherty said.

Yahoo, not surprisingly, sees things differently, pointing to the Internet icon's huge online audience and the growing number of visitors willing to pay for services as a validation of its ongoing popularity.

In September, Yahoo ranked as the Web's third most popular destination, after Microsoft and AOL Time Warner, attracting 60.7 million unique visitors accessing the Internet from home, according to Nielsen/NetRatings.

Yahoo pegs its worldwide audience at 201 million, a 7 percent increase from last year. Visitors also don't seem especially concerned about Yahoo selling their personal information to third parties. Yahoo says 93 million registered users logged on to its site in September, a 37 percent increase from the same time last year.

In the same statement, Yahoo said it doubts MyWay will be able to duplicate the "breadth and depth of the engaging, comprehensive and relevant services" offered by its site.

"A simple ad-free site does not provide value to consumers' lives if it does not incorporate the leading technology, compelling products or an understanding of consumers," Yahoo said.

Daugherty has established a solid track record since hitting the Internet scene four years ago. His company quickly made a splash with iWon, which gives away \$10,000 per day, and expanded its Web presence late last year with the \$10 million purchase of Excite.com from bankrupt At Home Corp.

iWon and Excite rank among the Web's 25 most popular destinations, attracting a combined 7.6 million unique visitors in September, according to Nielsen/NetRatings.

The privately held Excite Network has been profitable 14 consecutive months, according to Daugherty, although he won't disclose specifics.

Daugherty thinks he will substantially expand his company's reach by using MyWay to woo away disillusioned Yahoo users. MyWay looks like a clutter-free version of Yahoo, offering all the standard features of a Web portal without advertising.

The ad-free environment enables MyWay's page to load on Web browsers quicker than Yahoo and present more news headlines on the home page.

MyWay also intends to keep overhead low. The entire Excite Network, which the company says is the Internet's eighth largest in terms of daily visitors, employs just 157 workers. Yahoo, in comparison, employs just under 3,600 workers worldwide.

"Once we get the word out, people are going to start coming to MyWay and they are going to like what they see," he predicted. "If people spend just three minutes at MyWay, they won't go back to Yahoo again."

Yahoo Introduces Premium E-Mail Service

Internet portal Yahoo Inc. on Thursday unveiled an e-mail service that offers users expanded storage and new account management features, its latest move to expand its subscription revenue and lessen its reliance on Web advertising.

Sunnyvale, California-based Yahoo said Yahoo Mail Plus will cost anywhere from \$29.99 to \$59.99 per year, depending on how much storage the user wants. The packages range from 25 megabytes to 100 megabytes of storage space.

Mail Plus will allow users to attach more and larger files to their messages, block more addresses to prevent junk or "spam" messages and set up more filters to direct specific messages to specific folders.

The new service will also allow access to Yahoo mail accounts through traditional desktop e-mail programs like Outlook or Eudora, allow messages to be sent from different e-mail accounts through Yahoo, and remove the company's promotional taglines from messages.

Yahoo has cited paid services like extra e-mail storage as a key growth area. Such services, which the company has been adding to offset a prolonged slump in advertising, accounted for 41 percent of Yahoo's revenue in the most-recent quarter.

Lisa Pollock, director of messaging products for Yahoo, told Reuters the new, bundled service offered a 33 percent discount over existing separate offerings from Yahoo.

"What we're doing with this package is targeting e-mail users, and not just Yahoo Mail users, who use their e-mail frequently," she said. "It expands our ability to consolidate a number of different accounts through Yahoo Mail."

Besides the ability to check messages from different accounts, Mail Plus will also allow people to send their messages from different addresses, so an e-mail sent from Yahoo could look as though it was sent from someone's workplace, with replies directed to that address.

Pollock said Yahoo has seen "substantial growth" over the last three years in the percentage of mail users who pay for additional premium services, although the company does not disclose the actual figures.

Term 'Morons' Sparks Harvard Flap

A cartoon in Harvard Business School's student newspaper criticizing the school's computer system triggered the resignation of a student editor and generated a free speech controversy.

The problems arose before corporate recruiting sessions, when computer mixups scrambled some of the students' interview schedules.

The student newspaper, Harbus, reacted by publishing a cartoon of a career services Web site overloaded with error messages, including one referring to "incompetent morons." In turn, the director of the MBA program reprimanded two student editors, and warned them to avoid "disrespectful" language.

Nick Will, the paper's editor in chief, resigned and cited "personal intimidation and threats" by Harvard officials, according to The Boston Globe. The exchange has prompted debates about free speech.

"The message the school sent to Nick Will was pretty threatening," Jennifer Taylor, a second-year student and member of a board reviewing the case. "This is denying the community a voice to express its frustrations."

MBA chairman Carl Kester, however, said there was no intent to censor the editors. The cartoon violated the campus "community standards" code, he said, because it insulted the school's career-services employees.

"If it weren't for those two words, nothing would have been said or done to the students," Kester told the Globe. "There was just a very palpable sense that this had damaged the feelings of people working very hard on behalf of students."

Kim B. Clark, dean of the Business School, wrote in a memo sent Friday to students that while the school is "committed to principles of free expression and inquiry ... each of us first and foremost is a member of the Harvard Business School community, and as such, we are expected to treat each other respectfully."

Harbus editors argued the cartoon faulted the school's computer system, not individuals.

Pair Aims to Return Million AOL CDs

Two California men rebelling against a sea of America Online promotional compact discs have got mail like never before.

People around the world have sent Jim McKenna and John Lieberman more than 80,000 CDs offering trial subscriptions to AOL's Internet services. They say when they collect a million, they'll go to the company's front door in Virginia to say, "You've got mail."

"Basically, we'll enlist the help of volunteers who are willing to take a pickup load and drive back to AOL headquarters with us," McKenna said. "We will be as obvious as possible and very polite."

Promotional CDs offering Internet service are common in the industry, but AOL, the largest Internet service provider, uses them most pervasively. Their discs appear in magazines, at the post office, at movie theaters and, of course, in mailboxes.

McKenna and Lieberman have requested the CDs through a Web site devoted to complaining about the discs. The site features pictures of alternative uses

for the CDs (mobile, ceiling covering, chew toy) and even includes haiku by disgruntled recipients.

The El Cerrito men, who are in their 30s and work in information technology, are building an international alliance for their cause, with partners in France, Germany, Australia and the United Kingdom serving as CD receiving points.

"People find this action very cool and the ecology aspect is very loved in France," said Aziz Ridouan of Stop CD France, which has accumulated about 1,600 CDs for the men so far.

McKenna and Lieberman say they have nothing against AOL, but see the discs as a waste of resources and have found a creative way to ask the Internet giant to stop making and sending them.

AOL is responding by offering to help.

"If they reach their goal ... I'd be happy to give them directions and greet them at the door," company spokesman Nicholas Graham said. "We would make a contribution ourselves to put them over the top."

He said, however, that the company still believes the promotional CDs are the best way for it to reach potential customers, and added that overall, people have responded well to the discs.

Graham wouldn't say how many discs AOL distributes each year but noted that anyone can return unwanted discs for the company to recycle. He added that if anyone is unhappy about getting the CDs they can call the company and ask to not receive them.

Bill Gates Welcomed with Huge Condom

An eight-foot tall condom greeted Microsoft chairman Bill Gates Thursday during a visit to an Indian city, a tribute to mark his generosity in fighting AIDS.

The world's richest man smiled when he saw the giant air-filled condom in India's rising technology hub of Hyderabad, where his company has opened its first software development center outside the United States.

The billionaire inaugurated his four-day visit to India on Monday by announcing \$100 million in contributions from his charity, the Bill & Melinda Gates Foundation, to spread awareness on AIDS.

India has four million people with HIV, the virus that causes AIDS, making it the second largest number in the world after South Africa.

=~::~~::~=

Atari Online News, Etc. is a weekly publication covering the entire Atari community. Reprint permission is granted, unless otherwise noted at the beginning of any article, to Atari user groups and not for

profit publications only under the following terms: articles must remain unedited and include the issue number and author at the top of each article reprinted. Other reprints granted upon approval of request. Send requests to: dpj@atarinews.org

No issue of Atari Online News, Etc. may be included on any commercial media, nor uploaded or transmitted to any commercial online service or internet site, in whole or in part, by any agent or means, without the expressed consent or permission from the Publisher or Editor of Atari Online News, Etc.

Opinions presented herein are those of the individual authors and do not necessarily reflect those of the staff, or of the publishers. All material herein is believed to be accurate at the time of publishing.